

**CONTRIBUTION OF SUGARCANE GROWING TO THE LIVELIHOOD OF THE OUT
GROWERS IN BUSOGA REGION**

A CASE STUDY OF KAKIRA SUGAR ESTATE

BY

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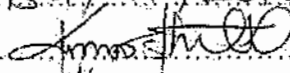


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DECLARATION

I **KUDU DAVID** declare that this report is my own original work; as far as I am aware it has never been submitted to any University or other institution of higher learning for the award of a degree or any other academic award. I am also responsible for any errors and mistakes in this research report.

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SUPERVISOR'S APPROVAL


I DR. ALICE NAKIMBA WERE being a University supervisor, have supervised the research report titled "Contribution of Sugarcane Growing to the Livelihood of the Out growers in Busoga Region". Submitted to the Faculty of Natural Resource Economics of Busitema University by:

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DEDICATION

I wish to dedicate this research report to my father Mr. Mwase Joseph, my mum Nabirye Esther and Aunt Sister Thereza Namwase for the love, encouragement and financial support they have given me during the entire duration of my programme at Busitema University.

I further dedicate this work to my friends and lectures for their guidance through my report writing.

May the almighty GOD bless you.

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ACRONYMS

UNDP	-	UNITED NATIONS DEVELOPMENT PROGRAMME
UBOS	-	UGANDA BUREAU OF STATISTICS
LC	-	LOCAL COUNCIL
TCD	-	TOTAL CANE PER DAY
UCSTA	-	UGANDA SUGARCANE TECHNOLOGISTS' ASSOCIATION
NDP	-	NATIONAL DEVELOPMENT PLAN
FAO	-	FOOD AGRICULTURAL ORGANISATION
UNASGO	-	UGANDA NATURAL ASSOCIATION OF SUGARCANE GROWING
TCH	-	TOTAL CANE HARVEST
SCOUL	-	SUGARCANE CORPORATION OF UGANDA LIMITED
Ha	-	HACTARE
GDP	-	GROSS DOMESTIC PRODUCT
MW	-	MEGA WATT
SRL	-	SUSTAINABLE RURAL LIVELIHOOD

TABLE OF CONTENTS

DECLARATION.....	i
SUPERVISOR'S APPROVAL.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENT.....	iv
ACRONYMS.....	v
ABSTRACT.....	ix
CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STUDY.....	1
1.1 Introduction.....	1
1.2 Background of the study.....	1
1.3 Statement of the problem.....	4
1.4 Purpose of the study.....	5
1.5 Objectives of the study.....	5
1.6 Research questions.....	5
1.7 Area and scope of the study.....	5
1.8 Significance of the study.....	6
1.9 Definitions of key words.....	7
CHAPTER TWO: LITERATURE REVIEW.....	9
2.0 Introduction.....	9
2.1 Benefits from sugarcane farming.....	9
Income of the out growers.....	9
Plantation farming Benefits.....	10
Electricity production.....	10
2.2 Challenges to the out grower.....	11
Small income share from the crops to the out growers.....	12
Sugarcane Sector and out grower exploitation.....	13
Pricing of the sugarcanes.....	13
2.3 Failure of crop growth.....	15
Sugarcane farming and traditional crop in Kenya.....	15
Increased income share from sugarcane.....	16
2.4 Resulting problem from cane growing.....	17
2.5 Solutions to resulting problems.....	18
Sustainable soil health.....	19
Intercropping by Kakira Sugar Limited.....	21
CHAPTER THREE: METHODOLOGY.....	23
3.1 Introduction.....	23
3.2 Research design.....	23
3.3 Study population.....	23
3.4 Sampling procedure and size.....	23
3.5 Data collection methods.....	23
3.6 Data processing and analysis.....	24
3.7 Ethical considerations.....	25
3.8 Limitations of the study.....	25
CHAPTER FOUR: FINDINGS OF THE STUDY.....	26

4.1	Socio- economic characteristic of respondents.....	26
4.1.1	Categories of respondents.....	26
4.1.2	Residence of respondents.....	26
4.1.3	Gender of respondents.....	27
4.1.4	Age of respondents.....	27
4.1.5	Education level of respondents.....	28
4.1.6	Marital status of the respondents.....	29
4.2.	Other enterprises carried out by the out growers.....	30
4.3.	Forms of land used by the out growers.....	31
4.4.	Size of land farmed by the out growers.....	31
4.5.	Period of operation as an out grower.....	32
4.6.	Income contribution from sugar cane growing.....	33
4.7:	Benefits out growers receive from sugarcane growing:.....	34
4.8:	Challenges faced by out growers.....	35
4.9.	Sugarcane crop enterprise.....	36
4.10.	Crops grown by out growers.....	37
4.11:	Main use of the crops grown by the out growers.....	38
4.12.	Problems resulting from sugarcane growing.....	39
	CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	40
5.0.	Introduction.....	40
5.1.	Summary of the findings.....	40
	Findings on proportion of land out-growers allocate to sugarcane growing.....	40
	Findings on the different benefits that out growers attain from sugarcane growing.....	40
	Findings on the failure of crop enterprise.....	40
5.2	Conclusions.....	41
5.3	Recommendations.....	41
5.4.	Suggestions for further studies.....	43
	REFERENCES	44
	APPENDIX I: QUESTIONNAIRE (TO OUT GROWERS AROUND KAKIRA SUGAR ESTATE)	46

LIST OF TABLES

Table 1: Shows the category of the farmer	26
Table 2: Showing the location of the out grower	26
Table 3: Showing response by education level	28
Table 4: showing marital status in percentage and frequencies.....	29
Table 5: Showing the size of land farmed by the out growers.....	32
Table 6: Showing Benefits out growers receive from sugarcane growing.....	34
Table 7: Showing out grower's crop enterprise.....	37
Table 8: Showing the crops grown by the respondents.....	37
Table 9: Showing various uses of the crops grown.....	39

LIST OF FIGURES

Figure 1: Map of the study area.....	6
Figure 2: Beans intercropped with sugarcane.....	22
Figure 3: Ground nuts intercropped with sugarcane.....	22
Figure 4: Gender of respondents in percentages.....	27
Figure 5: Age of out-growers in Percentage (%) and frequencies.....	28
Figure 6: Respondents alternative activities by percentage (%).....	30
Figure 7: Forms of land use by percentages (%).....	31
Figure 8: No. of years spent as an out grower.....	32
Figure 9: Responses' on income contribution from sugarcane growing in percentages.....	34
Figure 10: out growers facing challenges.....	36
Figure 11: Response on whether they were facing some problems.....	39

ABSTRACT

This study was about the contribution of sugarcane growing to the livelihood of the out growers in Busoga Region. The purpose of the study was to establish the relationship between sugarcane growing and livelihood of the out growers. The objectives of the study were to: explore the various benefits out growers attain from sugar cane growing, establish the proportion of land out-growers allocate to sugarcane growing, identify the commodity that can be grown together with sugarcane there by yielding maximum output, and suggest recommendations that will enhance crop production and sugar cane growing to maximize output.

The study used descriptive research designs, qualitative and quantitative were used to gather data in order to establish the relationship between the variables under study. Data were collected from a sample of 65 out growers. We used self administered questionnaires with open and closed ended questions were the main instruments for data collection. Data were analyzed using SPSS statistical software to generate frequencies, percentages in order to establish the relationship between sugarcane growing and the livelihoods of the out-growers in the study area.

Findings indicate through sugarcane growing, the Kakira sugar company provides various benefits to 59% of out growers through the different projects. 56% of the out growers allocate less than five acres of their land for sugarcane growing, and they were growing crops alongside sugarcane growing.

The study recommends special attention be directed towards the dynamics of sugar production, marketing and sales. This calls for urgent attention to issues such as access to farm inputs, crop husbandry, harvesting and transporting techniques. Fair sale of farmers produce is important and efforts must be made to rectify unfair practices such as faulty weighing systems , losses during off loading, loss of tonnage while awaiting cutting and processing all of which contribute to losses of benefits on the side of farmers. For instance, on farm weighing of sugarcane and seed quality control can reduce losses to the farmers and ensure that other losses such as spillage during transportation by the cane haulers are incurred by the companies

CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STUDY

1.1 Introduction

Chapter one contains the background of the study, statement of the problem, objective of the study, the specific objectives, research questions scope of the study.

1.2 Background of the study

Kakira Sugar works Limited is located in Jinja District with its plantations on the shores of Lake Victoria along Jinja Iganga highway. This Company was formed in 1985 as a Joint Venture between the Madhvani Group and the Government of Uganda to take over the assets of Madhvani Sugar Works Ltd prior to 1972. The Company employs over 7,500 people and has been responsible for the socio-economic development of this rural area. In addition to direct employment, Kakira's activities support the local community – out grower farmers, cane transporters, ancillary and support industries, and infrastructure such as roads, health centers and schools among others. This has contributed significantly to the Ugandan Government's poverty alleviation programme for example supporting dependent families among others. Kakira Sugar Works provides the means of livelihood to over 75,000 people in the South Busoga region of Uganda. Kakira Sugar Limited started in 1930 with a sugar milling machine which could produce 150 tonnes of sugar daily. To date, the company produces 3500 tonnes a day, and 100,000 tonnes per annum. A new line is being installed and is hoped that by 2015, the company will be able to produce 150,000 tonnes of sugarcane per annum. The nucleus estate covers a total of 3520 hectares of land. In addition, there 13,000 hectares of land under sugarcane by the out grower farmers, there are over 4,000 registered out growers and the factory employs 6,500 people on full time basis. The company directly or indirectly supports the livelihood of over 100,000 people in the area (Nakiyemba, 2013).

Sugar-cane is cultivated on the company's own nucleus estate of over 9,700 hectares (Ha) but the majority of the cane is supplied from 6,000 out grower farmers with more than 18,000 hectares under cane, for production of 150,000 Tons of sugar per year - making this Uganda's largest sugar producer. To cater to the needs of the agricultural

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